

450.4 Exemptions.

The tax imposed by [this chapter](#) shall not be collected:

1. When the entire estate of the decedent does not exceed the sum of twenty-five thousand dollars after deducting the liabilities, as defined in [this chapter](#).
2. When the property passes for a charitable, educational, or religious purpose as defined in sections 170(c) and 2055 of the Internal Revenue Code.
3. When the property passes to public libraries or public art galleries within this state, open to the use of the public and not operated for gain, or to hospitals within this state, or to trustees for such uses within this state, or to municipal corporations for purely public purposes.
4. On bequests for the care and maintenance of the cemetery or burial lot of the decedent or the decedent's family, and bequests not to exceed five hundred dollars in any estate of a decedent for the performance of a religious service or services by some person regularly ordained, authorized, or licensed by some religious society to perform such service, which service or services are to be performed for or in behalf of the testator or some person named in the testator's last will.
5. On the value of that portion of any lump sum or installment payments which will be includable as net income as defined in [section 422.7](#) as received by a beneficiary under an annuity which was purchased under an employee's pension or retirement plan.
6. On property in an individual development account in the name of the decedent that passes to another individual development account. For purposes of [this subsection](#), "individual development account" means an account that has been certified as an individual development account pursuant to [chapter 541A](#).
7. On the value of that portion of any lump sum or installment payments which are received by a beneficiary under an annuity which was purchased under an employee's pension or retirement plan where the employee is a nonresident of Iowa at the time of death.
8. On the value of that portion of any lump sum or installment payments which are received by a beneficiary under an annuity which was purchased under an employee's pension or retirement plan which was excluded from net income as set forth in [section 422.7, subsection 31](#).
9. On the value of tangible personal property as defined in [section 633.276](#) which is distributed in kind from the estate if the aggregate of all tangible personal property in the estate does not exceed five thousand dollars.
10. On the value of any interest in a qualified tuition plan, as defined in section 529 of the Internal Revenue Code, to the same extent to which the value is excluded from the decedent's gross estate for federal estate tax purposes. [This subsection](#) shall apply to all qualified tuition plans that are in existence on or after July 1, 1998.

[S13, §1481-a1; C24, 27, 31, 35, 39, §7308; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §450.4; 81 Acts, ch 147, §1, 19]

83 Acts, ch 177, §3, 38; 93 Acts, ch 97, §15, 20; 94 Acts, ch 1165, §31; 96 Acts, ch 1106, §8; 2001 Acts, ch 140, §1, 5; 2001 Acts, ch 150, §20, 21; 2002 Acts, ch 1050, §38; 2006 Acts, ch 1016, §1, 8; 2007 Acts, ch 134, §2, 28; 2008 Acts, ch 1164, §2

Referred to in [§12D.9, 541A.2](#)

2006 amendment to subsection 6 is effective March 29, 2006, and applies retroactively on and after January 1, 2006; 2006 Acts, ch 1016, §8

2007 amendment adding new subsection 9 applies to estates of decedents dying on or after July 1, 2007; 2007 Acts, ch 134, §28